

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2000-48

January 28, 2000

SWANS ISLAND ELECTRIC COOPERATIVE
Request for Authorization Pursuant to
35-A M.R.S.A. § 3212(2)

ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

In this Order, we grant the request of Swans Island Electric Cooperative (SIEC) that it be directed to provide for default service in its service territory pursuant to 35-A M.R.S.A. § 3212(2).

II. BACKGROUND

Pursuant to 35-A M.R.S.A. § 3212(6), SIEC conducted a bidding procedure to select a standard offer provider for customers in its service territory. On January 5, 2000, SIEC filed a letter stating that it had rejected the bid proposals because the prices were unacceptably high. The January 5th letter indicates that SIEC has agreed with Bangor Hydro-Electric Company (BHE) that SIEC may receive a wholesale power supply as part of the wholesale supply that BHE obtains to meet its own standard offer requirements. Under these circumstances, SIEC requests that the Commission require SIEC to provide default service pursuant to 35-A M.R.S.A. § 3212(2).

III. DISCUSSION

Section 3212(2) states in relevant part:

Notwithstanding any other provisions in this Title, the commission may, in the event that the commission¹ . . . determines that the bids it receives are inadequate or unacceptable, require the transmission and distribution utility to arrange and to provide for default service.

This statutory provision was added during the last session as a contingency in the event that no adequate standard offer bids were received for a utility service territory. In such an event, the Commission is explicitly authorized to require a utility to provide default service using power obtained from the wholesale market.

¹ Section 3212(6) allows consumer-owned utilities (COU) to opt to conduct the standard offer process for their service territories. For this reason, the COU is in the place of the Commission for purposes of section 3212(2).

Because SIEC did not receive any acceptable bids in its standard offer solicitation, it is in the public interest for the utility to provide default service and SIEC is, thus, directed to do so. We also find it in the public interest for SIEC to obtain its wholesale supply as part of BHE's wholesale supply solicitation.

Dated at Augusta, Maine, this 28th day of January, 2000.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch
 Nugent
 Diamond

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.